A2500-2

Paper Paperboard & Wood Pulp

MONTHLY STATISTICAL SUMMARY - Vol. 62 - No. 7 JULY, 1984

Paper and Paperboard Production: Holding Strong

Production of paper and paperboard continued at close to capacity levels right up to the start of the July vacation period. Total production in the first half of the year stood at a record high of 35 million tons. This was 9% over the level of the first half of 1983, itself a record high.

Adjusted for seasonal workday factors, the rate of production in the first half of 1984 was 68.4 million tons per year, 5% over the average rate for 1983 as a whole. Production increased by one million tons from the first half to second half of 1983, although seasonal factors normally tend to keep the second half total below that of the first. The seasonally adjusted rate of production rose 7.3% from the first half to the second half of 1983 and another 1.2% in the first half of 1984. New capacity coming onstream in the second half of 1984 will permit further increases in production. Most of the new capacity is in the printing-writing grades, largely in the uncoated free sheet category. Based on data from API's November 1983 Capacity Survey and further announcements since that data, capacity to produce uncoated free sheet papers will increase about 700,000 annual tons during the course of 1984, with most of that coming onstream the last half of the year.

The rate of shipments of uncoated free sheet papers during the second quarter of 1984 was above the rate of incoming new orders, so that the order of backlog declined. At the same time, a significant part of the demand was met by imports. Data from Department of Commerce show that imports of uncoated book papers in the first five months of 1984 were nearly 3 times the year-ago level, climbing to a rate of 283,000 tons per year.

Similarly, imports of writing and similar papers, the other major sector of uncoated free sheet papers, were 5.7 times their year-ago level, at a rate of 269,000 tons per year. Altogether, imports of uncoated free sheet papers accounted for nearly 6% of the total new supply. In 1983 imports accounted for less than 3% of the total new supply.

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The demand for the other grades of printing-writing papers was also quite strong. Shipments of groundwood papers, for example, were 9.3% over their year-ago level in the first half of 1984, while coated paper shipments were up an astonishing 16%. Here too, imports accounted for an increasing share of the total demand. In the first five months of 1984, imports were at the rate of 316,000 tons per year, 190% over their year-ago level. At the same time, however, exports showed a 23% gain, moving to a rate of nearly 100,000 tons per year.

Among the other paper grades, the largest gains were evident in the "other" packaging and industrial converting grades, where production was up 12%. Production of unbleached kraft papers, which in recent years had shown only a modest growth, was 6% over its year-ago level for the first half of 1984.

The demand for paperboard also continued to be strong. Total production in the first half of the year was 10% over its year-ago level, with production of containerboard for domestic use up nearly 13% and boxboard production for domestic use up 8%. The largest gains, however, continued to be in the other paperboard grades including, in particular, gypsum wallboard facings. Total production for domestic use of the other papers (including tube, can and drum stock as well as the non-packaging paperboard products) was 17% over its year-ago level.

Exports of paperboard in the first half of 1984 were down by 13%, with the important linerboard grade, at 2.1 million tons per year, down 11%. The year other than 1983 in which exports of kraft linerboard exceeded 2 million tons was 1980, a time when the People's Republic of China sharply increased its kraft linerboard imports.

Production of paperboard for domestic use has generally been moving in line with trends in its major markets. For example, shipments of fibre boxes in the first half of 1984 were 9.1% above their year-ago total. Over the same period, inventories of containerboard at mills and plants rose by nearly 200,000 tons, the equivalent of 1.7% of the total containerboard production, thus bringing the trend of containerboard production for domestic use more in line with that of shipments of fibre boxes. The level of inventories of containerboard at fibre box plants and mills as of the end of June 1984 was equivalent to 7.0 weeks of supply; a year ago the ratio was 6.8 weeks of supply.

Continued on Page 11

PAPER AND PAPERBOARD STATISTICS

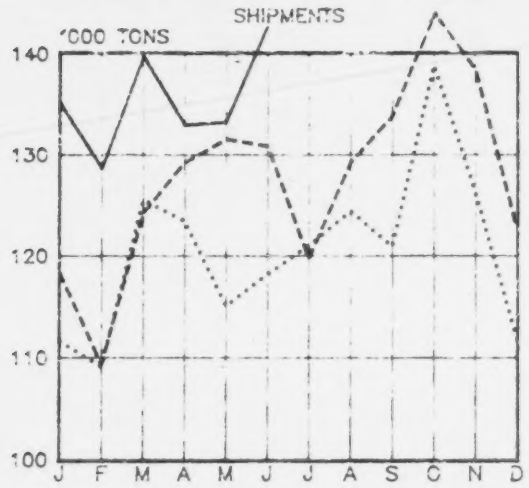
PRODUCTION, SHIPMENTS AND ORDERS
(Thousands of Tons)

	YEAR 1982	YEAR 1983	MARCH 1984	APRIL 1984	MAY 1984	JUNE 1984	Annual Rate Y-T-D 1984	% Change From same Period Last Year
PAPER					R	P		
Newsprint - Production	5042	5167	478	465	481	468	5606	9.5
- Shipments	4988	5153	500	484	497	461	5706	13.8
Printing & Writing	15611	17387	1623	1528	1611	1536	18699	10.0
Groundwood Paper - Shipments	1471	1531	140	133	133	143	1624	9.3
- New Orders	1481	1581	141	139	117	136	1651	10.5
- Unfilled Orders	92	159	187	194	173	177	177	65.3
Coated Paper - Shipments	4974	5696	531	510	546	518	6251	15.7
- New Orders	4941	5896	552	316	489	537	6235	8.0
- Unfilled Orders	322	546	557	568	508	522	522	1.3
Unctd Free Sheet - Shipments	7855	8767	814	757	804	750	9327	6.9
- New Orders	7827	9077	820	697	774	671	8857	-2.4
- Unfilled Orders	321	686	587	522	503	432	432	-20.3
Thin Paper - Shipments	329	328	32	29	29	31	353	2.9
Cotton Fiber Paper - Shipments	120	131	13	13	12	11	146	12.2
Bleached Bristols - Production	862	934	93	87	86	83	998	8.8
Tissue Paper - Production	4438	4790	421	402	412	406	4882	2.8
Total Packaging & Other Paper	5300	5618	527	497	502	471	5945	8.1
Unbl. Kraft Paper - Shipments	3688	3792	352	334	330	316	3951	8.2
Other Paper - Production	1812	1826	175	163	172	155	1893	12.1
TOTAL PAPER-Production-Unadj. *	30390	32962	3050	2892	3005	2881	35131	8.5
-Production-S.A. *			2826	2883	2901	2813	34410	7.8
PAPERBOARD - PRODUCTION								
Solid Wood Pulp Furnish	22589	24779	2312	2201	2324	2283	26770	8.3
Unbl. Kraft Linerboard (1)	13494	15001	1397	1343	1426	1389	16259	10.1
Production for Export	1931	2281	190	181	188	178	2085	-10.8
Other Unbl. Kraft Paperboard	1040	1121	106	83	113	108	1198	5.4
Semichemical Paperboard	4388	4730	451	427	436	443	5187	12.1
Production for Export	185	193	14	13	12	10	150	-27.4
Solid Bleached Paperboard	3665	3926	358	348	348	343	4116	4.1
Production for Export	525	514	43	42	37	42	481	-13.7
Recycled Paperboard	6478	7398	717	687	688	673	8209	12.2
Production for Export	13	24	1	1	1	1	13	-58.0
TOTAL PAPERBOARD-Prod.-Unadj. *	29065	32177	3029	2888	3012	2956	34979	10.0
- Containerboard Prod.(Dom. Use)	17508	18173	1810	1739	1830	1810	21193	12.7
- Boxboard Prod.(Dom. Use) (2)	5130	5551	531	508	500	481	5986	8.0
- All Other P'bd Prod.(D.U.) (2)	3753	4397	439	405	448	433	5059	17.2
- Total Paperbd Prod. for Export	2654	3012	248	236	238	231	2740	-13.0
TOTAL PAPERBOARD PROD.- S.A. *			2810	2790	2839	2856	33993	8.4
TOTAL PAPER AND PAPERBOARD								
Production - actual *	59456	65139	6079	5780	6017	5837	70108	8.2
Production - S.A. *			5636	5673	5740	5688	68402	8.8

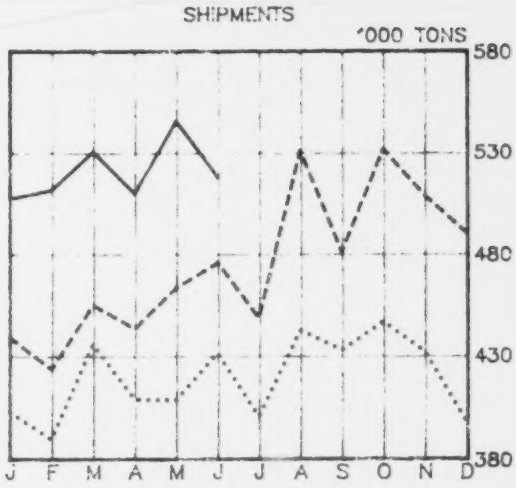
(1)Includes all exports of kraft paperboard.
(2)Data for unbl. kraft folding boxboard incl. in All Other P'bd.
* NOTE: Year 1984 contains one more day than year 1983.

P Preliminary
R Revised
S.A. Seasonally Adjusted

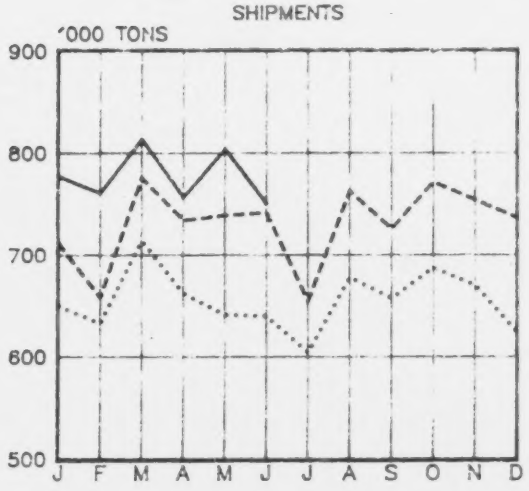
GROUNDWOOD PAPER, UNCOATED



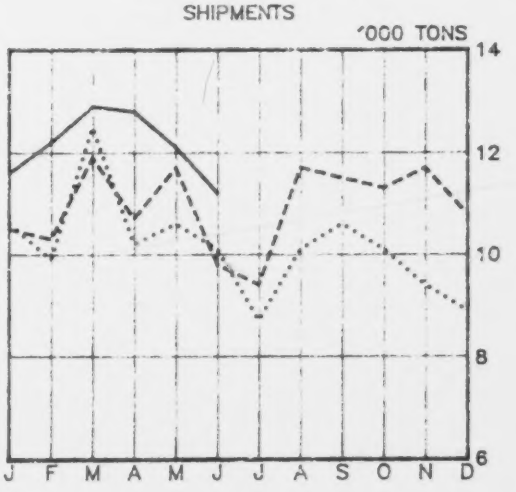
COATED PAPER



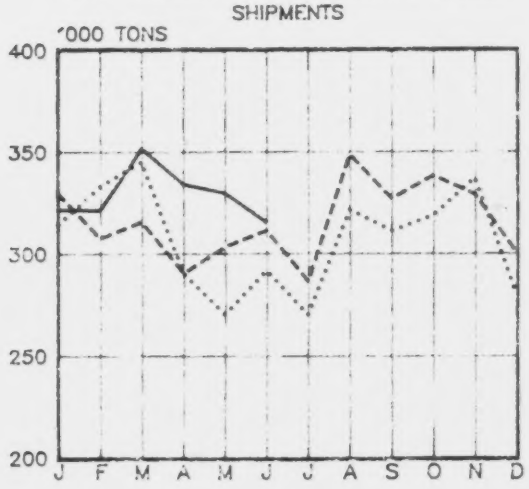
UNCOATED FREE SHEET PAPERS



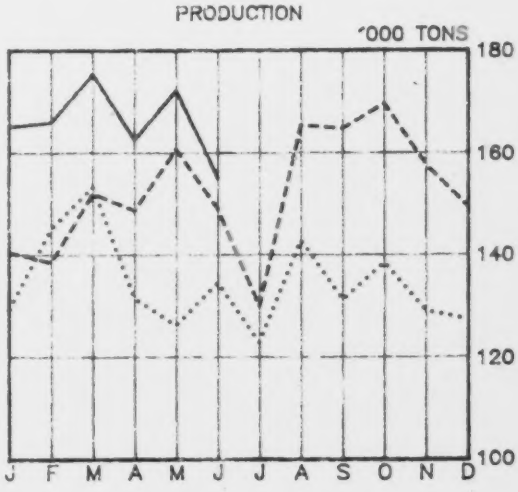
COTTON FIBER PAPER



UNBLEACHED KRAFT PACKAGING AND INDUSTRIAL CONVERTING PAPER



OTHER PAPER



1982 ····· 1983 - - - - - 1984 ——

WOOD PULP STATISTICS
(Thousands of Tons)

	YEAR 1982	YEAR 1983	FEB. 1984	MARCH 1984	APRIL 1984	MAY 1984	Annual Rate Y-T-D 1984	% Change From same Period Last Year
TOTAL WOOD PULP					R	P		
Total Wood Pulp - Production	49334	52537	4539	4858	4722	4769	56184	8.0
- Imports	3656	4093	420	341	338	387	4376	14.6
- Exports	3395	3644	317	374	249	336	3887	2.8
- New Supply	48585	52988	4642	4825	4811	4820	56853	8.8
Dissolving Pulp - Production	1092	1261	106	106	117	109	1284	-1.2
- Imports	186	192	12	20	8	17	172	-23.1
- Exports	631	647	38	74	53	47	633	-0.8
- New Supply	647	806	79	52	71	80	823	-7.0
Paper Grades - Production	38478	42358	3651	3921	3783	3830	45085	7.8
Chemical Pulp - Imports	3302	3708	380	301	309	348	3942	14.7
- Exports	2738	2858	278	295	192	283	3006	3.8
- New Supply	40044	43108	3754	3926	3900	3898	48021	8.4
Groundwood and - Production	5064	5087	454	466	472	476	5583	11.7
Thermo-Mech. - Imports	167	185	28	20	21	21	261	65.1
- Exports	27	40	1	4	4	7	47	1.8
- New Supply	5204	5222	481	482	488	489	5808	13.5
Semi-Chemical - Production	3699	3851	328	365	351	355	4201	11.0
- Imports	0	0						
- Exports	0	0	------	Included	with	Groundwood	Pulp	------
- New Supply	3698	3851	328	365	351	355	4201	11.0
MARKET WOOD PULP								
Total Market - Production	5732	6478	566	582	584	561	6815	5.7
Wood Pulp - Imports	2443	2945	274	283	269	274	3194	15.3
- Exports	3143	3421	317	332	281	295	3559	4.4
- New Supply	5031	6002	523	544	572	540	6450	11.1
Dissolving Pulp - Production	1089	1280	106	106	117	110	1283	-1.3
- Imports	184	210	13	21	12	24	219	0.3
- Exports	675	898	52	83	61	63	734	8.8
- New Supply	808	772	67	44	68	71	788	-9.0
Paper Grades - Production	4843	5206	458	485	467	450	5518	7.5
Chemical Pulp - Imports	2202	2888	254	258	252	242	2807	15.2
- Exports	2488	2723	265	249	220	232	2826	3.3
- New Supply	4377	5181	448	485	498	460	5801	13.8
Groundwood Pulp - Production	1	12	1	1	1	1	13	12.8
and All Other - Imports	48	38	7	3	13	8	88	218.8
- Exports	1	0	0	0	0	0	0	0.0
- New Supply	46	49	8	4	14	9	101	180.7

SOURCES: Total Wood Pulp Production & Market Wood Pulp Production, Imports & Exports - Pulp Division, Pulp, Materials and Technology Group, API. Total Wood Pulp Imports & Exports - Department of Commerce.

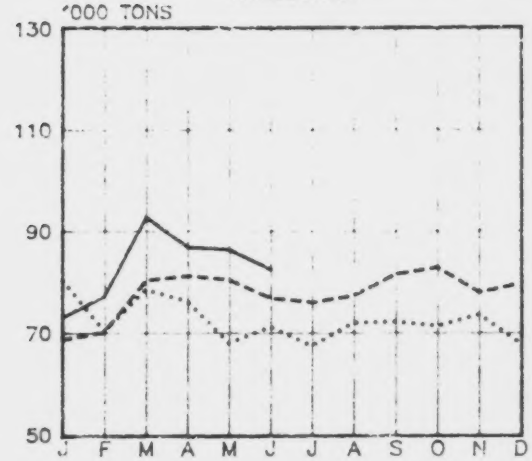
FIBROUS RAW MATERIALS
(Thousands of tons)

CONSUMPTION AT PAPER & PAPERBOARD MILLS					R	P		
Total	81332	85500	5801	6038	5872	6099	70728	8.9
Total Wood Pulp	47767	50861	4525	4849	4550	4710	54725	8.5
Waste Paper	13585	14539	1276	1388	1322	1389	16003	11.3
INVENTORIES								
Own Use Wood Pulp at Pulp Mills	177	170	142	154	157	146	146	-27.6
Market Pulp at Pulp Mills	437	384	351	324	341	329	328	-25.5
Mkt Pulp at Ppr. & Bd. Mills *	428	522	548	604	618	584	584	28.9
Waste Paper at Paper &Bd. Mills	1022	820	898	898	859	856	856	3.6
Days of Supply at Pulp Mills of Chemical Paper Grade Mkt Pulp	37	28	23	21	22	21	21	-30.0

SOURCES: Wood Pulp Data, Pulp Division, Pulp, Materials and Technology Group, API. Waste Paper Data, Paper Recycling Committee, API.
* - Census data prior to 1982; P - Preliminary; R - Revised; (0) - Indicates zero to five-hundred short tons

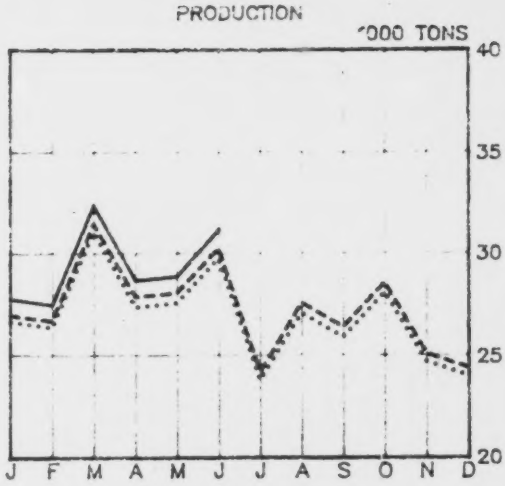
BLEACHED BRISTOLS

PRODUCTION



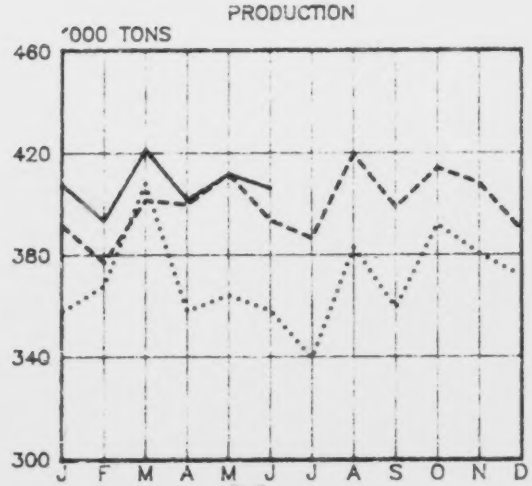
THIN PAPER

PRODUCTION



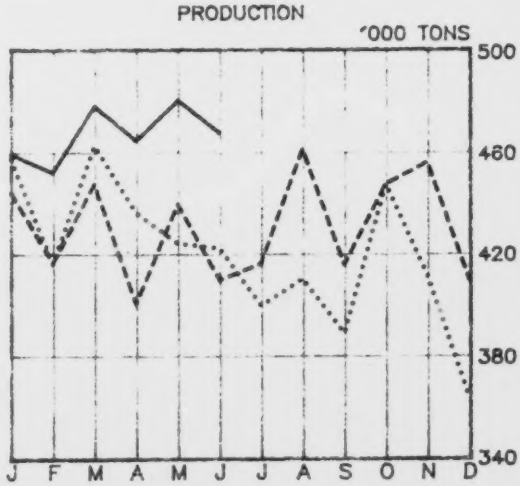
TISSUE PAPER

PRODUCTION



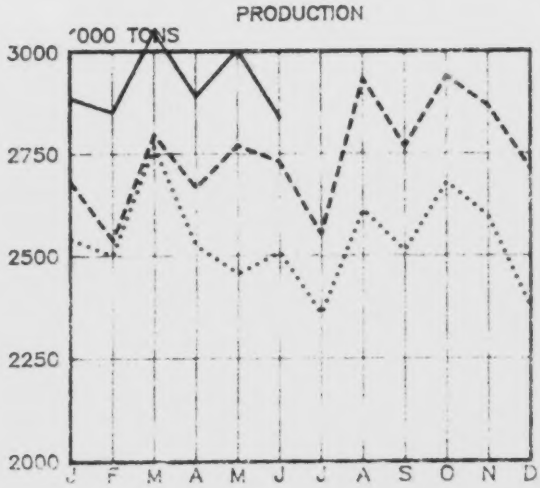
NEWSPRINT

PRODUCTION



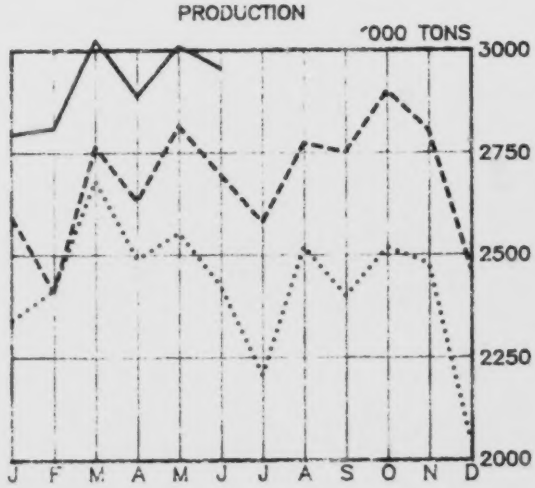
TOTAL PAPER

PRODUCTION



TOTAL PAPERBOARD

PRODUCTION



1982 ····· 1983 - - - - - 1984 ——

FIBROUS RAW MATERIALS (Continued)
(Thousands of Standard (128 cubic foot) Cords)

		YEAR 1982	YEAR 1983	FEB. 1984	MARCH 1984	APRIL 1984	MAY 1984	Annual Rate Y-T-D 1984	% Change from same Period Last Year
PULPWOOD									
Total U.S.	- Total Receipts	78519	84475	7434	7619	7100	7425	87893	7.0
	- Total Consumpt.	79039	85442	7295	7660	7344	7439	88615	4.8
	- Residues *	31152	32755	2813	2876	2755	2817	33156	3.7
	- Inventories	5426	5229	5192	5157	4777	4782	4782	2.2
So. Atlantic	- Total Receipts	23769	25736	2204	2243	1970	2285	25910	2.0
	- Total Consumpt	23725	25847	2238	2275	2020	2212	26150	0.5
	- Residues *	8273	7904	685	689	624	715	8071	4.7
	- Inventories	1165	1163	1052	1017	900	1033	1033	5.8
Northeast	- Total Receipts	7283	7051	665	643	535	586	7414	11.2
	- Total Consumpt	7221	7274	642	673	693	586	7953	8.1
	- Residues *	1452	1199	114	113	127	125	1404	18.2
	- Inventories	652	577	621	611	459	410	410	3.5
South Central	- Total Receipts	26510	29409	2484	2625	2634	2638	30446	7.7
	- Total Consumpt	27153	29152	2483	2641	2539	2591	30322	5.8
	- Residues *	8618	9218	757	762	761	748	8854	-0.8
	- Inventories	1346	1536	1455	1350	1375	1381	1381	11.7
North Central	- Total Receipts	5601	6265	688	633	439	554	7044	13.8
	- Total Consumpt	5706	6343	542	611	552	590	6886	7.5
	- Residues *	1517	1822	146	130	111	146	1524	-16.7
	- Inventories	925	851	987	1030	890	836	836	4.5
West	- Total Receipts	15356	16014	1393	1475	1521	1382	17076	8.7
	- Total Consumpt	15234	16826	1380	1460	1540	1460	17405	6.5
	- Residues *	11284	12612	1111	1182	1132	1083	13202	7.8
	- Inventories	1338	1102	1077	1149	1153	1122	1122	-11.4

* - Consumption of Residues in Cord Equivalents. SOURCE: American Pulpwood Association

UNITED STATES TRADE WITH CANADA
IMPORTS FROM CANADA

	YEAR 1983 Tons	YEAR 1983 $000	APRIL 1984 Tons	APRIL 1984 $000	MAY 1984 Tons	MAY 1984 $000	Annual Rate Y-T-D 1984	% Change from same Period Last Year
Pulpwood, Roundwood (in cords of 128 cubic feet)	155124	7471	8838	399	17295	1022	163466	75.8
Pulpwood Chips	1987168	48979	200269	4299	159236	3597	2680378	32.8
Wood Pulp, Total	3755201	1363975	302826	124939	334127	144240	3984821	15.3
Waste Fibrous Materials, Total	157732	26491	13002	2227	14411	2258	159486	14.5
Paper, Board & Products,Total	8274914	3372726	690529	298991	747705	319242	8828085	12.7
Paper, Paperboard,Wet Machine Bd. & Constr. Paper & Bd.	8221322	3274062	685101	288384	742038	308865	8762316	12.5
Paper Paperboard & Products	7846516	3277974	655393	290242	712265	311177	8427388	13.7
Paper & Paperboard, Only	7792824	3179311	648966	279635	706595	300800	8361608	13.5
Paper, Total	7633585	3139193	632005	274217	687133	295077	8115340	12.5
Newsprint	6845135	2732234	559922	234506	615912	256631	7246627	11.4
Printing,Writing & Rel.Pap.	693907	348512	62263	33757	60022	31783	743938	18.4
Pack. & Ind. Conv. Paper	79209	46889	8015	4626	8422	5192	106131	45.5
Special Industrial Paper	2732	4473	133	230	298	502	3135	23.8
Tissue Paper	10602	7085	1672	1098	1480	990	15511	74.7
Paperboard, Total	159339	40117	17961	5418	19462	5723	246269	62.8
Convtd Paper&Paperbd Products	53692	98864	5428	10607	5670	10377	85780	42.4
Wet Machine Board	3036	1816	184	120	200	147	2679	-17.4
Construction Paper & Board	425362	82836	34851	8629	35240	7918	398028	-4.9

EXPORTS TO CANADA

Pulpwood, Roundwood (in cords of 128 cubic feet)	68965	4381	5195	289	7954	473	55714	-0.8
Pulpwood Chips	38246	2026	5850	458	5457	234	38041	5.5
Wood Pulp, Total	133633	55369	16002	7130	16749	7872	177883	24.9
Cotton Pulp & Other Pulp	9567	5287	1047	623	842	525	11638	35.2
Waste Paper	346809	39478	23685	2739	35751	4028	331428	2.1
Paper, Board & Products,Total	859229	471256	66982	44945	80755	53069	815422	26.6
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Board	448117	306687	49931	29839	62541	37651	593215	33.5
Paper, Paperboard & Products	628109	459325	63502	43684	77509	51530	783373	27.7
Paper & Paperboard, Only	416998	284756	46451	28557	59285	36112	581166	35.8
Paper, Total	230771	210626	24438	20519	38381	26994	330377	44.8
Newsprint	4312	3805	505	407	384	416	5983	62.1
Printing,Writing & Rel.Pap.	125110	101541	10009	9144	14827	13833	145492	14.4
Pack. & Ind. Conv. Paper	34403	20921	4217	2181	5137	2972	50400	72.8
Special Industrial Paper	63390	81389	8548	8518	15819	9481	125610	87.0
Tissue	3556	2969	160	270	224	293	2894	-33.3
Paperboard, Total	186226	84131	22013	8038	22904	9118	230788	24.6
Convtd Paper&Paperbd Products	211112	164568	17051	15106	18214	15417	222207	11.2
Wet Machine Board	5289	2976	325	233	854	540	5609	-14.4
Construction Pap & Bd. E	25831	8955	3155	1049	2392	999	26439	8.3

SOURCE: Bureau of Census, Department of Commerce. E - Estimate of tonnage based on square foot data

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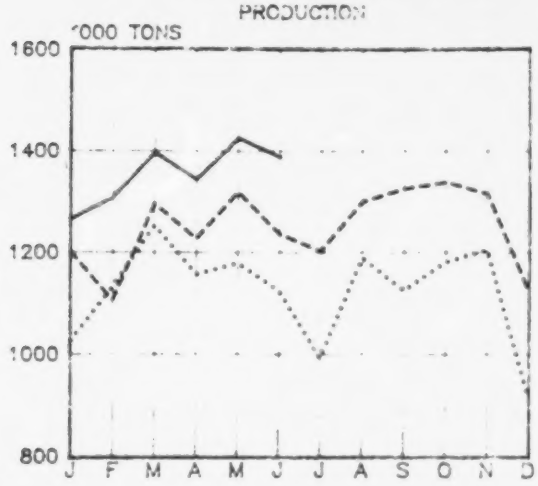
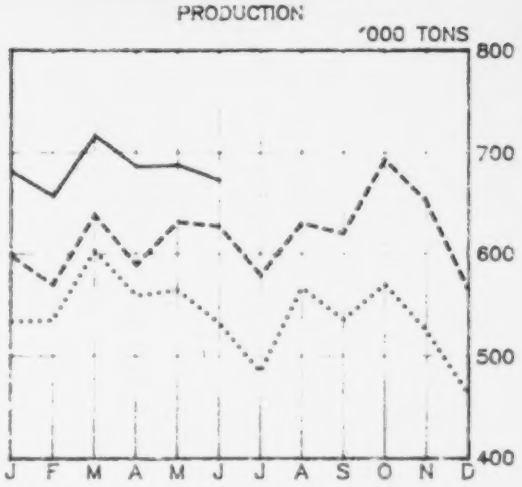
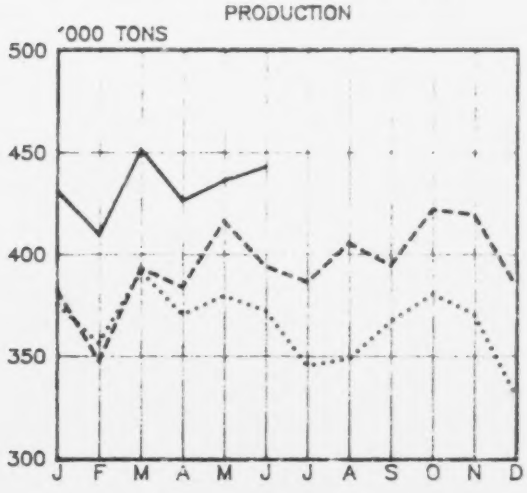
UNBLEACHED KRAFT LINERBOARD
PRODUCTION



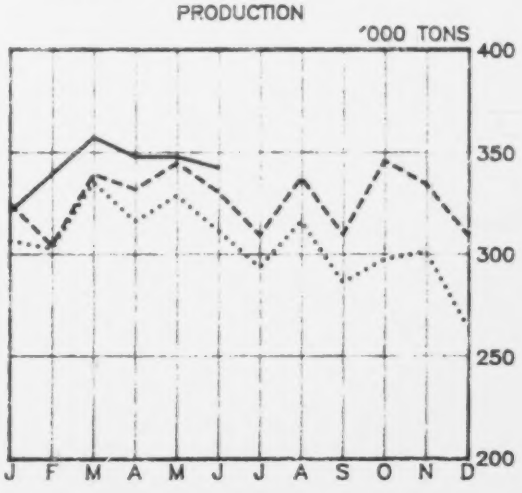
RECYCLED PAPERBOARD
PRODUCTION



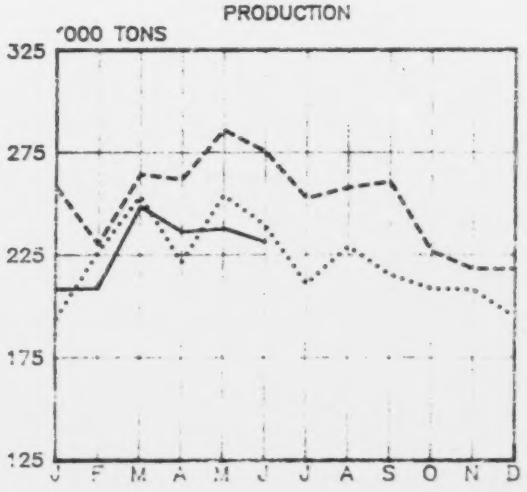
SEMICHEMICAL PAPERBOARD
PRODUCTION



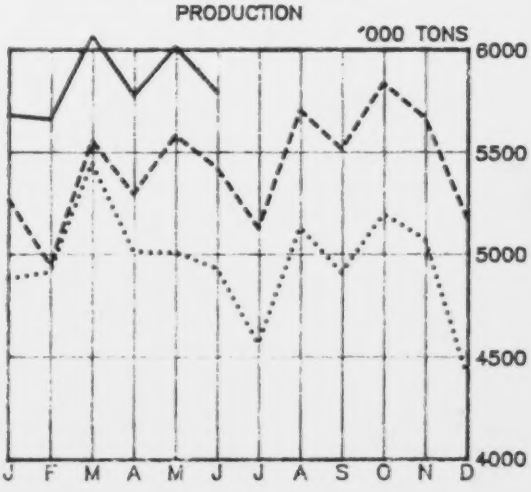
SOLID BLEACHED PAPERBOARD
PRODUCTION



PAPERBOARD FOR EXPORT
PRODUCTION



TOTAL PAPER AND PAPERBOARD
PRODUCTION



1982 ····· 1983 - - - - - 1984 ——

PULP PAPER AND PAPERBOARD IMPORTS AND EXPORTS DATA

I M P O R T S

	YEAR 1983 Tons	YEAR 1983 $000	APRIL 1984 Tons	APRIL 1984 $000	MAY 1984 Tons	MAY 1984 $000	(1) Annual Rate Y-T-D 1984	% Change from same Period Last Year
Pulpwood Roundwood (cords)	155124	7471	8838	399	17345	1032	163586	76.1
Pulpwood Chips	1991453	49104	200270	4300	159251	3601	2680774	32.2
Total All Imports	13248280	5526141	1185624	550966	1331960	608415	15018280	22.0
Wood Pulp Total	4093436	1472478	337658	138150	387056	165205	4375853	14.6
Waste Paper	100410	10537	9088	1016	9595	835	107374	33.9
Other Fibrous Materials	68003	24272	5949	2075	6634	2403	70158	1.9
Paper Board & Products Total	8986431	4018855	832928	409725	928675	439972	10464896	25.5
Paper Paperboard Wet Machine Bd. & Construction Paper & Board	8834560	3582292	814332	360960	909685	395135	10259005	24.9
Paper Pbd & Prds ex Cnst&WMB	8509180	3811591	795853	389760	889511	431018	10019805	27.2
Paper & Paperboard Only	8357309	3475028	775060	350995	870521	386179	9813914	26.7
Paper Total	8189491	3428868	756428	345229	849738	379754	9550128	25.9
Newsprint	6919348	2757524	572889	239083	653970	269867	7445170	13.4
Printing & Writing	1151011	587426	166980	86295	178122	88902	1923475	108.7
Uncoated Groundwood	732237	331017	86990	43067	103143	51007	1004069	64.5
Uncoated Book	154147	88632	23247	15398	21320	13021	283176	107.5
Coated Print.& Impres. Pap	162441	101289	26068	17842	32240	21466	315977	188.8
Bristols	471	557	52	71	36	36	606	75.8
Writing and Similar Paper	81458	46718	28394	16095	19510	10876	268937	469.4
Thin (except Cigarette)	20258	19213	4231	3823	2873	2496	50709	271.5
Total Pkg & Other Paper	107515	75684	12471	8450	14782	9698	162874	66.8
Unbleached Kraft Paper	42013	17454	3227	1546	3102	1396	51205	44.1
Other Pkg. & Indust. Paper	65503	58240	9244	6904	11680	8302	111669	78.8
Tissue	11617	8225	2088	1402	1865	1288	18610	81.9
Paperboard, Total	167818	46160	18632	5766	20783	6425	263786	84.8
Test or Containerboard	48119	13042	6690	2278	5256	1705	77474	51.6
Semi-Chemical Corrugating	69564	14509	7479	1973	9428	2435	118275	88.6
Other Paperboard	50136	18609	4464	1514	6100	2285	68038	46.1
Convtd Paper&Paperbd Products	151872	436563	18593	48765	18990	44837	205891	60.2
Paper Products, Total	124816	373966	15699	42854	16195	38286	176653	70.2
Paperboard Products, Total	27055	62597	2894	5911	2795	5552	29238	18.0
Wet machine Board	3584	2422	241	162	244	183	3394	-6.6
Construction Paper & Board	473667	104842	39036	9804	38920	8772	441696	-4.0
Notes								
Other: No Weight Avail. ($000)		148251		13418		16449	183296	52.5
Total Imports Incl. Other($000)		5674392		564384		624863	6883318	32.8

E X P O R T S

							(1)	
Pulpwood, Roundwood (cords)	68497	4405	5193	289	7954	473	56491	-1.7
Pulpwood Chips	2554176	171269	188214	12920	183034	11865	2255459	-13.3
Total All Exports	10888949	4221511	859557	348608	1051082	427516	11356945	7.2
Wood Pulp,Total	3643983	1382022	249219	105064	336389	145814	3686645	2.8
Cotton Pulp and Other Pulp	102863	69805	8632	6595	6022	4961	90518	-7.2
Waste and Old Paper	2573716	308915	248111	31879	278543	35919	3121678	31.1
Paper, Board & Products,Total	4568407	2480769	353595	206071	430128	240823	4458104	-1.5
Paper,Paperboard,Wet Machine Bd. & Construction Paper & Board	3984277	1717768	307309	142406	381359	174877	3851308	-2.6
Paper, Pbd & Prod ex Cnst&WMB	4501039	2448779	346395	202666	422778	236845	4371740	-1.9
Paper & Paperboard, Only	3916910	1685778	300110	139001	374008	170899	3764945	-3.1
Paper, Total	773414	598370	67647	50199	94097	67117	857772	11.2
Newsprint	294870	127119	25441	10710	38628	18049	324027	21.2
Printing & Writing	201798	198304	16091	16512	20624	21597	217284	7.3
Uncoated Groundwood	37289	33300	3344	3039	3057	2758	30890	-14.3
Clay Coated Paper	78182	80033	6831	5483	8036	7069	86098	23.4
Uncoated Free Sheet	59125	71662	4288	5597	7081	8919	68558	8.4
Other Printing & Writing	26202	33310	1628	2393	2451	2851	21737	-14.0
Total Pkg. & Other Paper	260865	255086	23815	21446	32570	25529	288917	5.6
Unbleached Kraft	116170	43227	8711	3552	10587	4360	110680	-12.7
Other Pkg. & Indust. Paper	144695	211859	14204	17894	21984	21169	188237	20.4
Tissue	15881	18861	2200	1531	1275	1941	17545	-3.7
Paperboard, Total	3143498	1086408	232463	88802	279911	103782	2907173	-6.6
Solid Wood Pulp	2993868	1016184	218488	83146	263421	96708	2753223	-7.4
Total Linerboard	2254538	575882	154614	45567	192744	57501	1992360	-8.4
Bleached Kraft Linerboard	160253	64814	4443	1981	8748	3093	129033	7.4
Unbleached Kraft Linerbd	2094285	510848	150172	43586	185985	54408	1863326	-10.4
Other Unbleached Kraft	107141	51822	14727	6599	12820	5203	129722	18.3
Other Bleached Kraft	558431	371357	45947	28906	50325	31709	584544	3.0
Semi-Chemical Corrugating	73758	17144	3180	1074	7533	2294	46597	-51.7
Recycled Paperboard	149628	70224	13995	5656	16490	7075	153950	8.7
Convtd Paper&Paperbd Products	584129	763001	46286	63664	48770	65946	606796	6.3
Paper Products, Total	311722	535596	24835	44857	25007	46079	319837	3.5
Paperboard Products, Total	272408	227406	21451	18708	23763	19867	286958	8.7
Wet Machine Board	11622	5420	1119	567	2185	1049	15048	8.8
Construction Paper & Board E	55746	26570	8081	2838	5165	2929	71318	28.9
Notes								
Other: No Weight Avail. ($000)		7865		653		630	7410	8.8
Total Exports Incl. Other($000)		4228475		350261		428167	4508144	8.0

SOURCE: Bureau of Census, U.S. Department of Commerce. E - Incl. estim. of tonnage based on square foot data.
(1) Annual Rate Year-To-Date is in tons unless otherwise specified in item description.

PRODUCER PRICE INDEXES
1967 = 100

	1982	1983	MARCH	APRIL	MAY	JUNE	Annual Rate Y-T-D 1984	% Change From same Period Last Year
Pulp, Paper and Products except Building Grades	273.2	271.4	286.4	290.1	292.7	293.3	287.8	7.0
Pulp Paper & Products, ex. Building Grades & ex Waste Paper #	275.9	273.3	287.1	290.6	297.7	293.9	289.3	6.6
Total Wood Pulp	379.1	347.1	376.0	392.5	405.1	407.6	386.5	12.2
Total Paper	286.3	282.3	299.2	300.6	301.3	301.4	298.9	7.2
Total Paper, exc. Newsprint	278.3	277.0	298.6	299.7	300.7	300.9	298.6	9.3
Newsprint	315.8	303.0	315.0	316.0	314.8	314.8	313.5	4.8
Total Paperboard	254.9	250.8	273.8	275.4	276.9	279.1	272.8	10.6
Total Paper and Paperboard #	276.5	272.4	291.2	292.7	293.6	294.4	290.7	8.1
Converted Products	264.4	265.4	274.1	277.7	280.6	280.8	275.9	4.2
Waste Paper	121.1	158.6	242.8	258.8	259.3	257.3	243.2	109.6
All Commodities	299.3	303.1	311.1	311.4	311.7	311.4	310.4	3.1
Industrial Commodities	312.3	315.7	321.9	322.5	323.3	323.9	321.9	2.6

SOURCE: Producer Price Indexes -Bureau of Labor Statistics, U.S. Department of Labor # Computed by API

Paper and Allied Products Companies

Sales and Earnings

	Sales			Net Profit After Taxes[1/]			Earnings/Sales	
	1984	1983	Change 84/83 %	1984	1983	Change 84/83 %	1984	1983
	(Million Dollars)			(Million Dollars)				
32 Paper and Allied Products Companies								
First Quarter	12,319	10,265	+20.0	539.0	326.6	+65.0	4.4	3.2
Second Quarter	13,064	10,879	+20.1	735.3	395.3	+86.0	5.6	3.6
First Half	25,383	21,144	+20.0	1,274.3	721.9	+76.5	5.0	3.4
3 Forest Products Companies								
First Quarter	2,989	2,573	+16.1	89.8	54.6	+64.5	3.0	2.1
Second Quarter	3,373	3,058	+10.3	190.5	119.6	+59.3	5.6	3.9
First Half	6,362	5,632	+13.0	280.3	174.2	+60.9	4.4	3.1
3 Canadian Pulp and Paper Companies								
First Quarter	1,117	902	+23.8	39.5	- 5.0	N.M.	3.5	N.M.
Second Quarter	1,266	1,028	+23.2	49.6	20.8	+138.5	3.9	2.0
First Half	2,383	1,930	+23.5	89.0	15.8	+463.3	3.7	0.8

1/ As published; income from current operations is used when published separately.

N.M. - Not meaningful.

Continued from Page 2

The major markets for corrugated shipping containers are in the industrial production sector of the economy. In the first half of 1984 total industrial production, as measured by the Federal Reserve Board index, was 14% over its year-ago total. This was paced by a 17% increase in production of durable consumer goods and industrial equipment. While these are both important markets for corrugated shipping containers, the major markets for these products are in the consumer goods sector, which showed a 9.5% increase from the first half of 1983 to the first half of 1984.

Boxboard production for domestic use also finds its major markets in the non-durable goods sector of industrial production. Within the boxboard grade structure, total folding boxboard production (including production for export) rose by 8.6% from the first half of 1983 to the comparable 1984 period. However, exports were down by 27%, while production of clay coated solid bleached folding boxboard for domestic use rose by 11.6% and clay coated recycled folding boxboard was up 10.1%. Set-up boxboard production continued strong, showing a 15% gain over its year-ago level, but the milk carton and food service grades total did not quite keep pace with their year-ago total, largely reflecting a decline in exports. Production of milk carton stock, cup stock, plate, dish and tray stock for domestic use was fairly close to its year-ago total.

Fibrous Raw Materials

Total production of wood pulp in the first half of 1984 was at the rate of 56 million tons per year, 7.7% over the comparable 1983 total. Production of the paper grades showed an 8.1% increase, but production of dissolving pulp fell by 4.4% However, the shipments of dissolving pulp rose by 3% in the first half of 1984; in 1983 mill inventories increased by about 35,000 tons, while in the first half of 1984 they decreased by 13,000 tons.

Production of chemical paper grade market pulp in the first half of 1984 was 6.5% over the year-ago total, with shipments to the domestic market rising 14% and export shipments rising about 4%. The increase in shipments to the domestic market is consistent with the trend in printing-writing grades - their major market. Total shipments of chemical paper grade market pulp in the first half of 1984 were 9% above their year-ago level, as the pulp producers drew upon inventories. As of the end of June 1984, producers' inventories of chemical paper grade market pulp were equivalent to 21 days of supply, compared to 26

Continued on Page 12

days of supply as of the beginning of the year. Among the major export markets, shipments to Japan in the first of 1984 were 34% over the year-ago level, shipments to Western Europe, down 4% and shipments to other markets up about 2%. Total inventories of North American and Nordic chemical paper grade wood pulp, which had been close to 2 million metric tons in late 1982 and had dipped below one million tons earlier this year, have since recovered slightly and are now just over one million metric tons.

The strong demand and high operating rates in the paper sector of the industry, particularly the printing grades, have also stimulated demand for pulp imports. API data show that imports of chemical paper grade market pulp in the first five months of 1984 were 15% over their year-ago level. Total new supply (production plus imports minus exports) of these grades, was a record 5.6 million short tons per year, 13.8% over the comparable 1983 level.

Sales and Earnings

Both sales and earnings of paper industry companies responded strongly to the evident upsurge in 1984 production. Data on 32 paper companies reported in the press show net sales for these companies up 20% over their year-ago level. These companies accounted for more than two-thirds of the sales of all paper and allied products companies. These same companies showed a 76.5% increase in after-tax profits over their year-ago totals, reflecting a 65% increase in the first quarter of the year and an 86% increase in the second quarter. The margin on sales for these companies in the first half of 1984 was 5.0%, which is about the long term average for the industry. This marked a strong recovery from the 3.4% margin on sales shown for these companies for the first half of 1983.

Sales of forest products companies also recovered strongly from their 1983 levels. Data on three forest products companies as reported in the press showed sales up 13% for this period, with profits up 61%. The margin on sales for these companies during the first half of 1984 was 4.4%, with the first quarter rate at 3.0% and the second quarter at 5.6%.

Data available in the U.S. press on Canadian companies indicate that they too showed a recovery. Their sales margin, however, tended to be a little lower than those of the U.S. paper and forest products companies.

The data are shown in the table on the lower half of page 10.

INDUSTRY FACT SHEET

AMERICAN PAPER INSTITUTE, INC.
260 Madison Avenue
New York, New York 10016

JULY 30, 1984

	PRODUCTION (000 TONS)					
	June 1984	May 1984	June 1983	Jan - June 1984	Jan - June 1983	% Change 84/83
PAPER GRADES	P	R				
Newsprint	468	481	410	2803	2559	9.5
Printing & Writing	1536	1611	1466	9349	8502	10.0
Uncoated Groundwood (s)	143	133	131	812	743	9.3
Coated Paper (s)	518	546	476	3126	2703	15.7
Uncoated Free Sheet Paper (s)	750	804	742	4663	4361	6.9
Thin Paper (s)	31	29	30	177	172	2.9
Cotton Fiber Paper (s)	11	12	10	73	65	12.2
Bleached Bristols (s)	83	86	77	499	458	8.9
Tissue Paper	406	412	393	2441	2374	2.8
Total Pks & Other Paper	471	502	461	2972	2749	8.1
Unbleached Kraft Packaging & Indl. Converting (s)	316	330	312	1976	1860	6.2
Other Paper *	155	172	149	997	889	12.1
TOTAL PAPER	2881	3005	2730	17565	16185	8.5
PAPERBOARD GRADES						
Unbleached Kraft Paperboard	1497	1539	1343	8729	7955	9.7
Unbleached Kraft Linerboard	1389	1426	1237	8129	7386	10.1
Other Unbl. Kraft Paperboard	108	113	106	599	569	5.4
Semichemical Paperboard	443	436	394	2598	2317	12.1
Bleached Paperboard	343	348	331	2058	1977	4.1
Recycled Paperboard	673	688	628	4104	3657	12.2
TOTAL PAPERBOARD	2956	3012	2695	17489	15907	10.0
TOTAL PAPER AND PAPERBOARD	5837	6017	5425	35055	32091	9.2

WOOD PULP (ALL GRADES)	May 1984	April 1984	May 1983	Jan - May 1984	Jan - May 1983	% Change 84/83
Dissolving & Special Alpha	109	117	133	535	541	-1.2
Bleached Sulfite	117	129	106	583	538	8.5
Unbleached Sulfite	26	24	29	121	135	-9.9
Bleached & Semi-Bl. Sulfate	1866	1886	1824	9301	8772	6.0
Unbleached Sulfate	1820	1745	1663	8780	8020	9.5
Semichemical	355	351	329	1751	1578	11.0
Groundwood and Thermomechanical	476	472	425	2331	2086	11.7
TOTAL PULP DIVISION DATA	4769	4722	4509	23402	21670	8.0

(s) - Shipments R - Revised E - Estimate
P - Preliminary * - Revised series based on A.P.I. data.

July 30, 1984

	Full Year		INDUSTRY DATA			Ann. Rate Year - To - Date	% From Same Pd. Last Yr.
			R	R	P		
PAPER AND PAPERBOARD -- Tons (000)	1982	1983	April	May	June		
Total Production (API)..... excluding	59456	65139	5780	6017	5837	70109	9.2
Total Seasonally Adjusted.... construction			5673	5740	5669	68402	8.6
Imports (including Products). and wet	7603	8509	794	890	N.A.	10050	23.3
Exports (including Products). machine	4187	4501	346	423	N.A.	4445	-0.9
Apparent Consumption..... grades	62872a	69147b	6121	6207	5119	74009c	
Paper Production % Tonnage Capacity.....	87.8s	93.6s	96.4	96.6	85.7	96.4sn	-
Paperboard Production % Tonnage Capacity.....	82.1s	90.4s	96.8	96.9	98.4	96.3s	-
			March	April	May		
IMPORTS..... Including Construction and	8024	8986	860	833	929	10465	25.5
EXPORTS..... WMB Grades (excl. HPB)	4246	4568	402	354	430	4458	-1.5
MARKET WOOD PULP PRODUCTION - Tons (000).....	5732	6478	592	584	560	6813	5.7
TOTAL WOOD PULP PRODUCTION - Tons (000)..(f)....	49334	52537	4858	4722	4769	56164	8.0
WOOD PULP IMPORTS - TONS (000).....	3656	4093	341	328	387	4376	14.6
WOOD PULP EXPORTS - TONS (000).....	3395	3644	374	249	336	3687	2.8
RAW MATERIALS CONSUMPTION - Tons (000)							
..PAPER AND BOARD MILLS excluding			March	April	May		
Wood Pulp..... consumption For	47767	50961	4649	4550	4710	54725	9.5
Waste Paper..... construction &	13565	14539	1389	1322	1389	16005	11.3
TOTAL..... WMB grades	61332	65500	6038	5872	6099	70729	9.9
PULPWOOD CONSUMPTION Cords(000) Amer. Pulpwd. Assn	79039	85442	7660	7344	7439	88615	4.6
EMPLOYMENT (000)			April	May	June		
Paper and Allied Products.....Total.....	662.4	661.6	677.4	680.0	688.2	678.2	3.7
Pulp, Paper and Board Mills.....Total.....E	258.9	258.2	261.7	263.4	265.6	262.6	2.7
AVERAGE HOURLY EARNINGS OF PRODUCTION WORKERS ($)							
Paper and Allied Products.....	9.32	9.94	10.29	10.33	10.39	10.29	5.6
Pulp, Paper Mills.....E	10.87	11.70	12.19	12.23	12.30	12.18	6.9
Paperboard Mills.....E	11.13	12.11	12.79	12.80	12.85	12.71	7.5
CAPITAL EXPENDITURES, PAPER & ALLIED PRODUCTS			1983 Q4	1984 Q1	1984 Q2		
(Rept. by US Dept. of Com., Ann. Rates, Bill.$)e	5.97	6.18	6.24	7.07	7.09	7.13y	15.4
INDEX OF OUTPUT PER MAN-HOUR (1977=100).....			April	May	June		
(IN PULP, PAPER &...Production Workers.....	109.3	119.9	121.5	121.3	118.5	121.9	2.7
(AND BOARD MILLS)...All Employees.....	107.7	118.4	120.9	120.8	117.7	121.1	3.8
PAPER AND ALLIED PRODUCTS (Million $)			March	April	May		
Industry Shipments (Dept. of Commerce)e.....	78992	85662	7778	7784	8044	93950	15.2
Pulp, Paper and Paperboarde.....	33523	36346	3377	3411	3527	40944	18.8
Inventories (End of Period) - Total Industrye.	8607	8729	8914	9036	9116	9116	9.2
Pulp, Paper and Paperboarde.....	3365	3263	3293	3326	3322	3322	0.5
			1983 Q3	1983 Q4	1984 Q1		
Sales (Corporations Only, FTC).....	60293	66100	16797	17279	17459	69836	12.5
Earnings (Corporations Only, FTC).....	1460	2337	678	675	629	2516	42.6
Depreciation (Corporations Only, FTC).....	2379	2645	688	655	693	2772	8.1
Net Worth (Corporations Only, FTC).....	26705	27509	27381	27509	27617	27617	2.3
PRICE INDEXES (Bureau of Labor Stats) 1967=100			April	May	June		
Pulp, Paper & Products, ex. Building Grades...	270.2	271.4	290.1	292.7	293.3	287.8	7.0
Wood Pulp.....	379.1	347.1	392.5	405.1	407.6	386.5	12.2
Waste Paper.....	121.1	158.6	258.8	259.3	257.3	Not Available	
Paper.....	286.3	282.3	300.6	301.3	301.4	298.9	7.2
Paperboard.....	254.9	250.8	275.4	276.9	279.1	272.8	10.6
PAPER DEMAND (INDEXED: 1967=100)			April	May	June		
Total Paper Production e.....	145.2	157.5	165.2	166.2	161.2	164.3	7.9
Paper New Supply e.....	135.1	147.6	157.0	160.7	157.0	156.0	11.2
Total End - Use Index e.....	149.5	157.8	169.9	170.8	171.1	169.5	11.6
Production of Nondurable Goods e...(19%)..	156.1	168.0	179.2	179.9	180.2	178.2	9.8
Disposable Income (Constant $) e...(23%)..	157.8	163.4	173.4	174.1	175.5	172.9	7.4
Total Printing and Publishing e...(58%)..	144.0	152.3	165.4	166.5	166.4	165.3	14.1
Trend Factor	----------	----------	Not Available	----------	----------	----------	----------
PAPERBOARD DEMAND (INDEXED: 1967=100)							
Total Paperboard Production e.....	127.6	141.2	146.7	149.3	150.2	149.0	9.4
Production For Domestic Use	122.7	135.5	142.4	145.0	146.3	145.1	11.9
Total End - Use Index e.....	139.5	148.9	161.4	161.9	162.7	160.6	12.0
Production of Consumer Goods e...(60.49%)	142.7	151.8	161.5	162.1	162.7	160.9	9.5
Production of Equipment e...(6.62%)	139.8	140.8	158.3	159.8	161.2	157.8	16.5
Production of Materials e...(32.89%)	133.7	145.2	161.8	162.0	162.9	160.5	16.1
Trend Factor	----------	----------	Not Available	----------	----------	----------	----------
NEWSPRINT MARKETS			March	April	May		
Consumption by Publishers - Tons (000).....	11141	11671	1043	1068	1069	12202	8.8
Newspaper Pub. and Printing Empl. Total(000)..	417.5	421.6	437.1	438.2	438.6	437.4	5.1
PRINTING AND FINE PAPER MARKETS							
MAGAZINE ADVERTISING PAGES (LNA, Inc.).....	121617	56026	12628	13825	13836	144950	7.8
WHOLESALERS SALES AND INVENTORIES (Million $)(J)							
Total Paper & Pap. Prdcts..ex Wallpaper..Sales	22776	26532	2623	2497	2680	30307	21.9
Inventories (End of Period)	1985	2341	2410	2452	2503	2503	20.7
FIBRE BOX DATA (Fibre Box Association)			April	May	June		
Fibre Box Shipments (Million square Feet).....	235185	252539	21951	23013	22387	269416	9.1
Container'bd Inventory at Mill & Plant(000Tons)	2584	2437	2512	2541	2620	2620	4.3
RETAIL TRADE (Million $)							
Total Retail Sales e.....	1074467	1171915	107505	108094	108969	1280582	12.4
Nondurable Goods Stores Sales e.....	753568	793398	70089	70313	70404	835214	7.3
GENERAL ECONOMIC DATA							
TOTAL INDUSTRIAL PRODUCTION (INDEX 1967 = 100)e.	138.6	147.3	162.2	162.8	163.6	161.3	14.0
PRODUCER PRICES(ALL COMMODITIES)(INDX 1967=100).	299.3	303.1	311.4	311.7	311.4	310.4	3.1
CONSUMER PRICES (ALL ITEMS) (INDEX 1967 = 100)..	289.1	298.4	308.8	309.7	310.7	308.1	4.4
			March	April	May		
TOTAL CONSUMER CREDIT OUTSTANDING - Billion $).	344.8	387.9	402.5	418.1	422.3	422.3	21.3
GROSS NATIONAL PRODUCT - ANNUAL RATE (Billion$).			1983 Q4	1984 Q1	1984 Q2		
G.N.P. or Expenditure - Current $.....	3069.2	3312.3	3461.9	3553.3	3646.4	3599.9	11.8
G.N.P. or Expenditure - 1972 $.....	1485.4	1535.3	1572.5	1610.9	1640.2	1625.6	7.8

lb/capita
Pap&Papbd Othr Totl Popul(mil)
.a - 543 + 15 = 558 232.0
.b - 589 + 18 = 607 234.2
.c - 629 + 18 = 647 235.2
.E - Last month estimated by API
.e - estimated by API

a - Adjusted for holiday shutdowns
h - Adjusted to conform with API Division data
J - Census unpublished data; standard dev. = 6-8%
N.A. - Not Available
P - Preliminary
Q - Quarter

R - Revised
RS - Revised Series
y - Full year estim. by U.S. Dept. of Com.
e - Seasonally Adjusted